

Asheville City Council
Planning and Economic Development Committee

2:00 p.m. – 3:30 p.m., October 11, 2006
Economic Development Office Conference Room

Minutes

Present: Councilman Jan Davis, Chair; Vice Mayor Holly Jones; Councilwoman Robin Cape. Staff members: Gary Jackson; Scott Shuford; Sam Powers; Ed Vess; Stephanie Monson; Charlotte Caplan and Robert Griffin.

The Planning and Economic Development Committee met on October 11, 2006 at 29 Haywood Street at 2:05 p.m. The meeting was called to order by Chair Jan Davis.

1. Approval of Minutes

A motion to approve the minutes of the September 13, 2006 Committee meeting was made by Vice Mayor Jones and seconded by Councilwoman Cape. The vote was unanimous.

2. Staff Report – Fines Report

Scott Shuford presented the staff report. He recognized Assistant City Attorney Curt Euler for the time he committed to the development of the fines report. Scott Shuford explained the City of Asheville can enforce an ordinance by accessing fines and penalties as long as the fines are reasonable in relation to the offense and there is adequate procedural due process.

Level III Exemptions and Threshold Adjustments

Scott Shuford reviewed and explained a continuation from the September Planning and Economic Development meeting on development incentives. The report included a table with the original staff suggestions regarding Level III exemptions and threshold adjustments, alternatives, and a comment section. An example of a Sliding- Scale Plan was also included which depicted a points system which Scott summarized the points range and explained how developments meeting goals in Housing, Green Building, Natural Resource Conservation, Transit-Oriented and Infill receiving a total of 50, 75 or 100 points will have different Level III threshold level.

Staff Analysis of Eagle/ Market Street Development Proposal

Charlotte Caplan summarized Eagle Market Street Development Corporation (EMSDC) proposal requesting the City to obligate \$775,369 in CDBG Section 108 loan funds and 340,000 in Economic Development Initiative (EDI) grant funds for the rehabilitation of its property at 17-23 Eagle Street (the Collette Building) and 38 South Market Street (the Del Cardo Building). Staff regarded this as a very beneficial project but it carried considerable financial risks as proposed. A particular risk was the loss of any EDI funding not spent by September 30, 2007. Staff recommended approval, but

with several conditions. After discussion, Eagle Market Street partners requested a meeting for October 18, 2006 with City staff to resolve pending issues and move forward for council approval. After discussion, the Committee agreed to send the proposal to Council on October 24 and asked staff to work with the development team in the meantime to find ways to reduce the risks.

3. Updates and Status Reports

Economic and Community Development Policy Direction –

Sam Powers presented a report to the PED committee. He reviewed a process, to involve the City Sustainable Economic Development Advisory Committee, to review existing economic development goals, set an agenda, develop appropriate tools to use in the process, and consider staffing needs. Staff provided a flow chart outlining the process, which included utilizing focused and resource input and public participation. The Planning and Economic Development Committee agreed that the process was needed and that SEDAC should provide leadership in the process. A discussion followed on potential tools available. Staff presented a chart which listed various economic development incentives and described their traditional use, as well as methods to increase sustainability through variations on the way incentives are used.

4. New Business

VMJ – Discussion for a HUB update to be placed on the agenda and more projects involving the public.

5. Public Comment

None

Regular meeting was adjourned at 4:00 p.m.

6. Closed Session - none